

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of)	
)	
All West Communications, Inc.,)	
Carbon/Emery Telcom, Inc., Central Utah)	
Telephone, Inc., Hanksville Telcom, Inc.,)	
Manti Telephone Company, Skyline)	
Telecom, UBET Telecom, Inc. and)	
Qwest Corporation)	
)	
Joint Petition for Waiver of the Definition)	CC Docket No. 96-45
of "Study Area" Contained in Part 36,)	
Appendix--Glossary of the Commission's)	
Rules;)	
)	
Petition for Waiver of Section 61.41(c))	
and (d), 69.3(e)(11) and 69.605(c) of the)	
Commission's Rules)	

REPLY TO OPPOSITION TO JOINT MOTION TO STRIKE
AND REPLY TO RESPONSE

Qwest Corporation ("Qwest") and All West Communications, Inc., Carbon/Emery Telcom, Inc., Central Utah Telephone, Inc., Hanksville Telcom, Inc., Manti Telephone Company, Skyline Telecom and UBET Telecom, Inc. (collectively, the "Acquiring Companies") hereby submit their Reply to Opposition to Joint Motion to Strike and Reply to Response ("Opposition") filed by Beehive Telephone Co., Inc. ("Beehive").

Beehive's Opposition and its request contained therein that the Federal Communications Commission ("Commission") delay its approval of the Petitions for the Part 36, Study Area Waivers and the Waivers of Section 61.41(c) and (d), 69.3(e)(11) and 69.605(c) of the Commission's Rules (the "Petitions") in this Docket are based on issues that are not properly

before the Commission in this proceeding. Accordingly, Beehive's request should be denied and the Motion to Strike of Qwest and the Acquiring Companies be granted for the following reasons:

Beehive's request that the Commission delay its approval of the Petitions is predicated on its unfounded speculation that the Public Service Commission of Utah (the "PSCU") may reconsider its approval of the sale of the Mt. Pleasant, Dugway and Wendover exchanges to Central Utah Telephone, Inc. ("Central Utah") and Skyline Telecom ("Skyline") in an unrelated proceeding involving the sale and transfer of Central Utah's stock. Beehive's basis for such speculation is premised on its baseless and erroneous assertions that (1) Central Utah and Skyline are selling the Mt. Pleasant, Dugway and Wendover exchanges to Lynch Telephone Corporation X ("Lynch") and (2) if the Lynch acquisition of Central Utah is not consummated then Central Utah and Skyline may not be able to close the acquisition of those exchanges.

Contrary to anything that Beehive states in its Opposition, the Mt. Pleasant, Dugway and Wendover exchanges, following the consummation of the acquisition of Central Utah's stock by Lynch, will continue to be owned and operated by Central Utah and Skyline. Central Utah and Skyline are not selling the Mt. Pleasant, Dugway and Wendover exchanges to Lynch or anyone else. The proposed sale to Lynch is a purchase of the outstanding shares of stock of Central Utah by Lynch; it is not an asset sale.

Further, Beehive's speculation that there is some question as to whether Central Utah and Skyline would proceed with the purchase of the exchanges if the Lynch acquisition is not approved is without any factual basis and is absolutely false. The fact is that Central Utah and Skyline entered into binding agreements with Qwest to acquire the Mt. Pleasant, Dugway and Wendover exchanges and the financing of the acquisition was approved by Central Utah and

Skyline's lenders long before the shareholders of Central Utah had opened initial discussions with Lynch regarding a possible sale of the stock of the company. With or without the Lynch acquisition of Central Utah's stock, Central Utah and Skyline will consummate the acquisition of the Mt. Pleasant, Dugway and Wendover exchanges.

The issues raised by Beehive's Opposition have no bearing on the Commission's consideration of the Petitions. Those issues were properly before the PSCU in connection with the state regulatory approval of the exchange sales. On September 6, 2000, the PSCU issued its Report and Order (the "Report and Order") in Docket No. 99-049-65 approving the sale by Qwest to the Acquiring Companies of those exchanges which are the subject of the Petitions. Included in the Report and Order was the PSCU's approval of the sale of the Wendover and Dugway exchanges to Skyline and the Mt. Pleasant exchange to Central Utah.

Under Utah law, any party dissatisfied with an order of the PSCU must apply to the PSCU for review or rehearing of that order within 30 days following its issuance before seeking judicial review. Beehive, who fully participated in Docket No. 99-049-65 as an intervenor, did not apply for review or rehearing. Accordingly, the PSCU's Report and Order became final and non-appealable 30 days following its issuance on September 6, 2000.

On November 21, 2000, Lynch, and the stockholders of Central Utah filed a Joint Application with the PSCU in Docket No. 00-040-01 for the sole purpose of seeking approval by the PSCU of the transfer of the common stock of Central Utah by the shareholders of Central Utah to Lynch. On January 22, 2001, Beehive filed its Petition to Intervene in Docket No. 00-040-01. Beehive asserted in its Petition to Intervene that there are local exchange areas involved in that proceeding that are contiguous or otherwise related to areas already served by Beehive and, as such, Beehive may be a logical choice to service those areas. Beehive further asserted

that the Commission may appropriately consider Beehive as a possible transferee of the exchanges.

As noted in the Response to Beehive's Petition to Intervene, filed by Central Utah and Lynch with the PSCU on January 31, 2001, Central Utah is not seeking any authorization of, or approval by, the PSCU to sell any discrete exchanges or any other assets, properties, rights or licenses of Central Utah or Skyline, including the Dugway and Wendover exchanges. The only issue before the PSCU is the sale and transfer of the stock of Central Utah to Lynch. Further, as noted by Central Utah and Lynch, the Commission is without authority to require Central Utah or Lynch to sell or otherwise transfer any of its assets, properties, rights or licenses including those exchanges which Central Utah and its subsidiaries own and operate including Dugway and Wendover.

Beehive requests that this Commission delay its approval of the Part 36, Study Area Waivers and the Waivers of Section 61.41(c) and (d), 69.3(e)(11) and 69.605(c) of the Commission's Rules until the PSCU has an opportunity to address the issues which Beehive contemplates raising in connection with Docket No. 00-040-01. At this point, Beehive has not been granted intervention in that proceeding nor has the scope of its participation, if allowed at all, been defined by the PSCU.

Beehive's Opposition contains many factual assertions regarding the timing of the approval by the PSCU of the sales of the subject exchanges and the negotiations between the shareholders of Central Utah and Lynch. Those so-called facts are untrue and misleading and, in any event, irrelevant to the Commission's review of the Petitions.

Central Utah and Skyline did not engage in negotiations with Qwest and execute the Asset Purchase Agreement with respect to the Mt. Pleasant, Dugway and Wendover exchanges in

anticipation of a sale of the stock of Central Utah to Lynch. Further, contrary to Beehive's supposition, Central Utah had then, and has now, no intent to "flip" those exchanges to Lynch or anyone else. Quite to the contrary, Central Utah and Skyline will own and operate the Mt. Pleasant, Dugway and Wendover exchanges regardless of who owns the stock of Central Utah.

CONCLUSION

The issues which Beehive attempts to raise in this docket, i.e., whether it should have been allowed to bid for, or is best suited to provide services to, the Dugway and Wendover exchanges were considered in Docket No. 99-049-65 and were subsumed within the PSCU's Report and Order. By interposing itself in this proceeding, Beehive is simply looking for another "bite at the apple" with respect to an issue that is the subject of the PSCU's final, non-appealable order. Any issues with respect to the transfer of ownership of Central Utah are properly before the PSCU in Docket No. 00-040-01 and have absolutely no bearing on the matters before the

Commission. Accordingly, the Motion to Strike previously filed by Qwest and the Acquiring Companies should be granted.

Respectfully submitted,

ALL WEST COMMUNICATIONS, INC.,
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February 14, 2001

CERTIFICATE OF SERVICE

I, Richard Grozier, do hereby certify that on the 14th day of February, 2001, I have caused a copy of the foregoing **REPLY TO OPPOSITION TO JOINT MOTION TO STRIKE AND REPLY TO RESPONSE** to be filed electronically with the FCC and served, via hand delivery (marked with an asterisk) or first class United States mail, postage prepaid, upon the persons listed on the attached service list.

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